WD2239.B490.

App.F.IX-4]

1924.

File No. 9-93

Previous References. (Dis) Serial Nos. 95796

Later references.

GENERAL & REVENUE SECRETARIAT

Serial Nos. 2

Part B for December 1924.

SUBJECT

Fodder Supply Operations

To The Director of Agriculture
My 312 dated 16-12-24
Makes some observations on the
audit of accounts connected with
the supply of paddy straw &
him to furnish full information
on the points

G. R. S. 59]

GENERAL AND REVENUE SECRETARIAT.

19 13.

(Miscellaneous)

File No. 539-12

Serial Nos. 3 & 4

Papers Filed.

Month. November 13

SUBJECT.

24 festival at Venkatarayanna Swamy temple at Rozuru Srinivasapur Taluk

PREVIOUS REFERENCES.	LATER REFERENCES.
Memorandum Under Reorder 1-12-13	

General and Revenue Secretariat.

Dis[illegible] File No. 9 of 19[illegible]

Serial No. 95

From

The Director of Agriculture
no Roc 973 — 28 — 24 dated 21.11.24
Forwards copies of correspondence between his office and that of the Comptroller in regard to admitting certain charges incurred by some private gentlemen who had undertaken to purchase paddy straw for the department in the Chamba areas and requests formal sanction authorising the Comptroller to admit the charges without requiring the detailed individual vouchers

The expenditure has been incurred and a large portion of the straw purchased has also been sold. The operations have practically come to a close

The Director considers that it would be too much to expect the private gentlemen to maintain detailed accounts by having a special clerical staff. (vide flag B

In view of this opinion that

NOTE—Contn. Sheet

(4) The vouchers furnished and the explanation given by the Agricultural Department show that this Department does not realise its responsibility to account for the expenditure of public funds. The occasion might have been exceptional, but that can be no excuse for not producing vouchers of the kind which alone can be accepted in audit. The persons who have acknowledged the receipt of the moneys are not the sellers of straw and as admitted by the Department in its correspondence with the Comptroller, they only acted as agents. It is one of the elementary rules to be observed by officers entrusted with the disbursement of public funds that they can never get a discharge for their financial responsibility unless they produce the receipts given by ~~ultimate~~

NOTE—Contn. Sheet

Serial No.

~~ultimate~~ payees. How such a fundamental point was overlooked and how the Department expects condonation of this irregularity, I cannot understand.

5) One Mr. Deviah has given a voucher acknowledging the receipt of Rs.1,000 "on account of advance for the purpose of paddy straw." What was the quantity supplied by him and at what rate? How was the sum of Rs.1,000 accounted for? The acknowledgment of an advance is not a voucher on which a final expenditure of Rs.1,000 against Government can be supported. I understand that the Director, in an independent communication to the Comptroller, has stated that a particular quantity of straw was supplied by Mr. Deviah. Such separate testimony is of no value. It is the man who received the money who has got to say on paper what quantity of straw he supplied and at what rate and how the money entrusted to him was disposed of.

6) Then again, I find in some vouchers, "transport charges on waggons" "Watch and Ward and Coolies", "Miscellaneous", "Shipment of straw from villages to Seringapatam" and "Coolies for stacking." In the case of all these items, the persons who have signed the receipts are ~~certainly~~ not the ~~ultimate~~ payees. The position would have been different if any arrangement had been made

made ~~stating that~~ these gentlemen ~~should~~ supply such and such quantities of straw and at such and such rates and the rates to be charged by them for the different kinds of incidental work relating to transport and stacking. But, no such arrangement was made. The transaction ~~is made to~~ appears ~~as if~~ they were simply the agents on behalf of Government, and in that capacity, they ought to have been required to produce the receipts of persons who either supplied straw or rendered particular kinds of service to Government. It may be that these gentlemen rendered help to Government on the occasion, but, I am not sure if they did it out of pure philanthrophy. Another gentleman Mr. Shamanna simply acknowledges that he received a sum of Rs.3,453-9-7 "on account of straw supplied." Neither the quantity nor the rate is mentioned. I cannot understand how the Department considers these slips of paper as sufficient authority for the final disbursement of large sums of public funds.

7 ~~I must state that~~ the whole transaction has been conducted in ~~a very~~ an unbusinesslike manner. The vouchers, as they now stand, are useless for the purpose of audit. If Government in the Administrative Department are satisfied -- the material furnished in the vouchers is altogether insufficient to form any opinion of value on this point -- that proper return has been received in the form of straw or service

Serial No.

service rendered to Government for the disbursements shown on the vou-chers now produced, the acceptance of the latter for purposes of audit may be authorised. It will, however, be difficult to satisfy an authority like the Public Accounts Committee should they require for inspection, vouchers of this nature, that proper accounts have been obtained for the expenditure of public funds.

Rev Secty

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Dy (S)

9

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NOTE—Contn. Sheet

R/S File No. 9 of 1923

General and Revenue Secretariat.

Serial No.

Subd with a draft reply to the Director of Agriculture.

1610. 6/12/24. Fair draft as revised.

6.12.24.

Fair draft is put up.

1615. 10/12/24.

10.12.24.

Secy. / Fair draft & submit some other

Fair Draft Submitted.

1655 12/12/24

12.12.24

Secy. / Issue

Issued vide 812 dated 16.12.24 96 to the Director of Agri

15.12.24

B

NOTE—Contn. Sheet

21140

540
Dis. 9-23-25

Telegraphic Address "Agri., Bangalore."
Code-5th Edition A. B. C.

DEPARTMENT OF AGRICULTURE,
MYSORE STATE.

In reply please quote in full the Nos. and indicative symbol given below.

Bangalore,
November 21, 1924 192

Roc.973-A of 23-24 Encl 3.

FROM

LESLIE C. COLEMAN, ESQ., M.A., PH.D.,
DIRECTOR OF AGRICULTURE IN MYSORE,
BANGALORE.

24. NOV. 1924

To

K. V. Anantaraman, Esq., B.A.,
Offg. Secretary to the Govt. of Mysore,
Revenue Department, Bangalore.

SIR,

In enclosing herewith copies of the marginally noted

1. This office No.Roc.973-A of 4-7-1924.	correspondence
2. Comptroller's No.6-R.D. of 11-7-1924.	
3. This office No.973-A of 2-8-1924.	between this office
4. Comptroller's No.45-R.D. of 25-8-1924	
5. This office No.973-A of 23-10-1924.	and the Comptroller
6. Comptroller's No.118/R.D. of 12-11-1924.	

re the acceptance of account with the payees' receipts, of Messrs. Devojee Rao, Chowbine Subbaiya, and P. Shamanna, in connection with the supply of paddy straw to the Department, I have the honour to state that the correspondence contains full information as to how the expeditious and economical purchases of such large stocks of straw was possible, only with the hearty co-operation of these public-spirited gentlemen and the impracticability of obtaining any more details than what have already been furnished by them in regard to these transantions. As the Comptroller considers that the accounts furnished fall short of the requirements of codal rules, I request you to be so good as to communicate formal sanction of Government to the Comptroller authorising him to admit the charges without requiring the detailed individual vouchers.

I have the honour to be,
Sir,
Your most obedient servant,

Leslie C. Coleman

Director of Agriculture.

hs.

This Office No.Roc.973-A of 23-24 dated 4th July 1924 to the Comptroller to the Govt. of Mysore, Bangalore.

No further details are available in these cases. These are all private gentlemen with considerable local influence and evinced a great deal of public spirit when they generously came forward at the request of the Department to purchase straw for us at great personal trouble and inconvenience. It would I consider be too much to expect them to go still further and entertain at their cost special clerical staff to maintain detailed accounts in strict accordance with the Audit rules. The classified particulars now furnished as regards the quantity and value of straw purchased and the incidental charges incurred thereon, together with their stamped vouchers should, I believe, be taken as final vouchers in support of the transactions in question.

If this should not satisfy the audit office, Government will be approached in the matter and their orders obtained. The objection slip No.24/R.D. dated 12/25th June 1924 is herewith returned.

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2. Letter No.6 R.D. dated 11th July 1924 from the Comptroller to the Govt. of Mysore, to the Director of Agriculture in Mysore, Bangalore.

Adverting to your reply No.Roc.973-FAD A of 23-24 dated 4th July 1924 regarding the objections raised in this office No.24/R.D. dated 25th June 1924, I have the honor to request that the following information may be furnished :-

(i) Whether or not there was any contract or understanding between your department and the leading gentlemen may be intimated.

(ii) Details for the amounts spent under several heads by Mr. Chowbeene Subbaiya may be furnished.

(iii) The amounts of the vouchers of the other gentlemen have, as in the case of Mr. Subbaiya's voucher, to be classified and details furnished for the classified amounts.

(iv) The quantity of straw supplied by the gentlemen have to

be

be ascertained and certified as having been taken on to the accounts of the Department.

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3. This office No.Roc.973-A of 23-24 dated 3rd Aug.1924 to the Controller to the Govt. of Mysore, Bangalore.

With reference to your letter No.6 A.D. dated 24th ultimo, I have the honour to state as follows :-

(i) The understanding with the gentlemen referred to was that they should buy straw for us as cheaply as they could, and furnish accounts of actual expenditure incurred by them. They were instructed that in case prices rose to more than As.3-0-0 per/ cart the Director's approval should be first obtained. At Yadgere the limit was subsequently raised to As.5/- for delivery at Railway Station. It was further understood that we would be satisfied if they sent us vouchers for the bills or receipts paid to them, and furnished details of price of straw, cost of collection and transport, and miscellaneous expenditure. They were not/ asked for vouchers of each detail of purchase or payment.

(ii) These details have been already furnished as is evident from head (iii) of your letter which seems to indicate that Mr. Subbaiya's voucher is satisfactory enough to be taken as a model.

(iii) The vouchers of other gentlemen, Mr. M.C.Devaji Rao and P.Sharma, also furnish all details.

The quantity of straw supplied by those gentlemen is given below.

	Bundles.	Weight.
Mr. P.Sharma(Mr."Vardachari").	14,119	117 tons.
Mr. M.C.Devaji Rao. -	38,704	285 "
Mr. Chamberne Subbaiya. -	19,361	205 " approx.

This is the weight of the straw at place of purchase and will suffer considerable loss due to drying, wastage, etc.

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4. Letter No.45 A.D. dated 25th Aug. 1924 from the Controller to the Govt. of Mysore, to the Director of Agriculture in Mysore, Bangalore.

Adverting to your letter No.Roc.973-A of 23-24 dated 3rd

August 1924 in respect of certain vouchers from some private gentlemen with whom there was an understanding to purchase straw for you as cheaply as possible etc., I have the honor to state as follows:-

(i) It may be informed whether and if so, in what order the said understanding or contract together with its terms has been sanctioned by Government in as much as it does not fall within the provisions contained in Appendix XIV, Mysore Account Code, Volume I, Appendices and Forms, for the purchase of stores.

(ii) The details for each figure shown in the voucher of Mr. Chowbeene Subbaiya e.g., Rs.3,064-0-6, for purchasing straw bundles, Rs.469-5-7 for transporting them from villages to Seringapatam and so on, called for in sub para (ii) of this office letter No.6.R.D. dated 11th July 1924 may be furnished.

(iii) Copies of the vouchers of Messrs. P.Shamanna and S. Deviah are herewith sent for reference and for furnishing information called for in sub para (iii) of this office letter mentioned above.

(iv) Stock certificate in the prescribed form may be kindly caused to be forwarded.

2. A very early reply is requested.

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5. This office No.Roc.973-A of 23-24 dated 23rd Oct.24 to the Comptroller to the Govt. of Mysore, Bangalore.

With reference to your letter No.45/R.D. of 25th Aug.1924, I have the honour to forward herewith copy of Sericultural Superintendent's letter No.1084 of 13/15th instant together with its enclosures from which it will be clear that no further details of account are available than what have been already furnished.

2. A lumpsum payment of Rs.1,000 was made for 4697 bundles of straw supplied by Mr. S.Deviah of Seringapatam.

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6. Letter No.118 R.D. dated 12th November 1924 from the Comptroller to the Govt. of Mysore, to the Director of Agriculture in Mysore, Bangalore.

Adverting

as lumpsum without any details and you state it is not possible to furnish any particulars to show how these were arrived at.

4. Under these circumstances, i.e., in the absence of quantities, rates and other details for lumpsum incidental charges, sanction of Government is necessary to admit the charges in audit. I, therefore, request you to be so good as to kindly obtain the same.

"Copies."

Director of Agriculture.

3.12/9-23-96

Compl. dated 16.12.24

To

The Director of Agriculture in Mysore.

S i r,

With reference to your letter No. R.O.C. 973-A. of 1923-24 dated 21st November 1924, requesting sanction of Government to admit in audit the charges incurred by certain private gentlemen in connection with the supply of paddy straw to your department, I am directed to state that the vouchers furnished are not satisfactory and cannot be accepted. The occasion might have been exceptional, but that can be no sufficient ground for not producing vouchers in conformity with audit rules. The persons who have acknowledged the receipt of the moneys are not the sellers of straw and as admitted by the Department in the correspondence with the Comptroller they only acted as Agents. It is one of the elementary rules to be observed by Officers entrusted with the disbursement of public funds that they can never forget a discharge for their financial responsibility unless they produce the receipts given by payees.

Mr. S. Deviah has given a voucher acknowledging the receipt of Rs.1,000/- on account of advance for the purchase of paddy straw. It is not known what was the quantity supplied by him and at what rate and how the sum of Rs.1,000/- was accounted for. The acknowledgment of an advance is not a voucher

On which a final expenditure can be supported Another gentleman, Mr. Shamanna has acknowledged that he received the sum of Rs. 3,453-9-7 on account of straw supplied. Such slips of paper without detailed vouchers cannot be of sufficient authority for the final disbursement of large sums of public funds.

In some vouchers are included charges as "transport charges on waggons", "watch and ward and cooly", "miscellaneous shipment of straw from villages to Seringapatam" and "cooly for stacking". In all these cases, the persons who have signed the receipts are not the payees. The position would have been different if any arrangement had been made under which these gentlemen had contracted to supply a particular quantity of straw at specified rates and had also agreed to the rates to be charged by them for the different items of incidental work relating to transport and stacking but no such arrangement seems to have been made. In the transactions in question, they were simply the agents on behalf of Government and in that capacity they should be required to produce the receipts of persons who either supplied straw or rendered particular kinds of service to Government.

2. Government regret to observe that the whole transaction has been conducted in an un-businesslike manner and that the vouchers

furnished cannot be accepted for the purpose of audit. Under the circumstances, Government cannot authorise the comptroller to admit the charges in question until proper vouchers with full details are furnished in respect of the whole transactions. The fodder operations have resulted in heavy losses to Government and Government desire to have full information to judge how far the losses were justified.

I have etc.,

Secretary to Government,
Revenue Department.